

nonemergency networks.

SECTION 3.

(1) As used in this section:

(a) Advanced digital communications' means equipment, facilities and capability to distribute digital communications signals for the transmission of voice, data, image and video over distance.

(b) Telecommunications provider' means any person capable of providing advanced digital communications including, but not limited to, a telecommunications utility as defined in ORS 759.005, a competitive telecommunications provider as defined in ORS 759.005, a cable television provider or an interstate telecommunications provider.

(2) Notwithstanding ORS 279.005 to 279.111 and 279.310 to 279.320, the Oregon Department of Administrative Services by contract shall acquire advanced digital communications services from telecommunications providers or a consortium of such providers. Contracts under this section shall provide that all responsibility for construction, installation, operation and maintenance of the network shall remain with the contracting provider.

(3) Upon installation of an advanced digital communications network, the Oregon Department of Administrative Services shall provide all telecommunications services and operations for the state and its agencies. The department shall not approve the procurement of any telecommunications system or equipment that is incompatible with the network.

SECTION 4.

The Oregon Department of Administrative Services annually shall review, in conjunction with each state agency, the budget of that agency to identify agency funds to be used for travel and transportation that may be used for telecommunications. If the department determines that a portion of the agency travel and transportation funds can be used more effectively through use of telecommunications, without diminishing the affected agency's existing internal and external communications, the department shall make recommendations to the Emergency Board as described in ORS 291.326 for such action as the department determines necessary to dedicate the identified agency travel and transportation funds for use in telecommunications. The department shall make its recommendations to the Emergency Board not later than January 1.

SECTION 5.

For the purposes of this Act, the Oregon Department of Administrative Services may enter into a contract or contracts with telecommunications service providers and equipment manufacturers for the purchase, use or operation of telecommunications equipment and services for a period not to exceed 10 years.

SECTION 6.

(1) There is established in the office of the Governor the Assistant to the Governor for

Telecommunications Policy who shall be appointed by the Governor to serve at the pleasure of the Governor. The assistant shall, with the advice of the Oregon Telecommunications Forum Council, advise the Governor on telecommunications policy and planning. The assistant shall be authorized to sign nondisclosure agreements with private telecommunications goods and services providers to protect proprietary information. Proprietary information shall not be included in or referred to in any reports submitted by the assistant.

(2)

(a) The Assistant to the Governor for Telecommunications Policy shall be a person with knowledge of advanced digital communications technologies and experience working with telecommunications service providers, planning telecommunications services and working with diverse user groups.

(b) The Assistant to the Governor for Telecommunications Policy shall prepare and submit a report to the Governor and appropriate legislative committees not later than October 15, 1996. The report shall contain the Oregon Telecommunications Forum Council's assessment of the state of telecommunications in Oregon in relation to the policy objectives in section 1 of this Act and recommendations for public and private actions to carry out these policy objectives.

(3)

(a) The Oregon Telecommunications Forum Council is established. The Governor shall appoint the Oregon Telecommunications Forum Council. The council shall be composed of persons broadly representative of telecommunications services providers and user groups from the public, private and nonprofit sectors.

(b) Members of the Oregon Telecommunications Forum Council shall serve at the pleasure of the Governor.

(4) The council shall:

(a) Establish a vision for the telecommunications infrastructure in Oregon and develop short-term strategies and long-term plans for achieving the vision.

(b) Establish benchmarks to monitor progress toward the goals established in subsection (5) of this section, and report on such benchmarks to the Oregon Progress Board.

(c) Maintain a clearinghouse of information regarding the availability of Oregon's telecommunications infrastructure and user support services, including maintaining an inventory of existing networks, technologies and providers and matching potential projects with potential sources.

(d) Encourage, facilitate and support the formation of communities of interest in the state based on their telecommunications needs and actively seek the input of these communities on telecommunications needs and barriers.

(e) Encourage partnerships among public, private and nonprofit telecommunications consumers and providers.

(f) Support and encourage education and training opportunities relating to telecommunications.

(5) The council shall implement the provisions of subsection (4) of this section in accordance with the policy objectives described in section 1 of this Act and with the following goals:

- (a) Ensuring that all Oregonians have affordable access to an integrated telecommunications infrastructure that provides voice, data and image information services.
- (b) Ensuring that rural and urban Oregonians have affordable access and adequate support to make effective use of voice, data and image information services for meeting their economic and quality of life aspirations.
- (c) Expanding access to lifelong educational and training opportunities so that Oregon's citizens and workforce can function in the emerging information society.
- (d) Increasing the quality of local health care available in all areas of the state.
- (e) Stimulating and supporting information-based economic development that improves economic opportunity.
- (f) Expanding citizen access to government information.
- (g) Increasing the speed and quantity of business-to-business information necessary for competition.

SECTION 7.

In implementing the provisions of this Act, the Oregon Department of Administrative Services and the Assistant to the Governor for Telecommunications Policy shall seek methods for using state resources and investments to bring the benefits of advanced telecommunications to rural communities and to increase the use of telecommunications in commerce in the state.

SECTION 8.

The Oregon Telecommunications Forum Council established in section 6 of this Act may accept contributions of funds and assistance from the United States or its agencies, or from any other source, public or private, and agree to conditions thereon not inconsistent with the purposes of the council. All such funds are to aid in financing the functions of the council and shall be deposited in the General Fund of the State Treasury to the credit of separate accounts for the council and shall be disbursed for the purpose for which contributed in the same manner as funds appropriated for the council.

SECTION 9.

Notwithstanding any other law, the limitation on expenditures established by section 3, chapter 232, Oregon Laws 1995 (Enrolled House Bill 5012), for the biennium beginning July 1, 1995, as the maximum limit for the payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, excluding federal funds, collected or received by the Office of the Governor, is increased by \$133,500 to carry out the provisions of this Act.

SECTION 10.

This Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this Act takes effect July 1, 1995.

Passed by Senate May 15, 1995
Repassed by Senate June 9, 1995
Passed by House June 8, 1995
Signed by Governor July 17, 1995

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Summary:

Comments of Time Warner Communications

Contributed by: Carl Kucharski <cski@tiac.net>

Date: Wed, 4 Sep 1996 20:41:36 -0400

Summary: Comments

As a competing provider of local exchange service, TW Comm is committed both to supporting and expanding the availability of affordable basic telephone service in all parts of the nation and to all citizens. In order to meet the goals enumerated in Sections 254 and 214 of the 1996 Act, however, the current mechanisms for funding universal service must be revised. Put simply, the current system relies too heavily on local exchange carrier ("LEC") reported costs. These costs are inflated and do not portray the actual costs necessary to provide local exchange services with any accuracy. To determine universal service support for high cost areas, the Commission must adopt an objective approach. The primary focus of such an objective approach should be the user, rather than the service provider. Further, an objective approach will ensure that the approach actually supports and promotes universal affordability of basic telephone services and does not merely provide one more opportunity for financial assistance to support LEC revenue requirements.

In determining whether a particular area qualifies for high cost support, an affordability benchmark should be determined and not until local rates exceed the benchmark should an area be deemed eligible for support. In determining the amount of support needed to efficiently serve the area, the Commission should implement a cost proxy model to calculate the costs of serving the area. Once the costs of serving an area have been determined, a competitive bid should be conducted to ensure that services are being provided to customers in the most efficient manner and at the least possible cost.

The responsibility of funding universal services must be equitably allocated. However, before this can be accomplished the non-targeted support mechanisms that currently exist must be eliminated. To the extent targeted support is necessary, it should be based upon a value added assessment of all industry participants.

TW Comm supports providing schools, libraries and health care providers with access to basic and advanced telecommunications services; however, answers to the questions raised in this proceeding cannot be properly answered until more information has been gathered. The Commission should thus initiate a separate Notice of Inquiry proceeding to acquire the requisite information that will enable parties to properly and informatively comment on these very important issues.

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Summary:

Joint Comments of People for the American Way, Alliance for Community Media, & Others

Contributed by: Carl Kucharski <cski@tiac.net>

Date: Wed, 4 Sep 1996 20:41:18 -0400

Joint Comments of People for the American Way, Alliance for Community Media, Alliance for Communications Democracy, Benton Foundation, Center for Media Education, League of Latin American Citizens, Minority Media and Telecommunications Council, National Council of La Raza, and National Rainbow Coalition.

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The decisions to be made in this proceeding have profound implications for the next century. They will set the foundation for citizen participation in democratic processes, the economic marketplace, and social and cultural activities of the information age. In a technological environment in which these services are increasingly essential for information, education, emergency services, and commerce, as well as communications, it is no exaggeration to say that full, equal, and affordable access to a broad range of telecommunications services is a birthright of citizenship.

The Commission and Joint Board must adopt rules which employ the principle that new technologies have become instrumental in promoting First Amendment values. Even more importantly, they must expressly define these policies as guideposts for future actions under the universal service provisions of the 1996 Act.

Technological advances have created new applications, such as telemedicine, data and file transfer, news services, chat rooms, electronic classrooms, and virtual malls, which go far beyond ordinary telephone service. This new conception of telecommunications supplants and enhances traditional views of speech. Citizens without access are citizens without voices and ears – they are unable to engage in these fundamental new forms of speech and new means to participate in society.

Furthermore, for every additional individual who gains access to telecommunications services and advanced services, the benefits are felt not just by that individual, but by society as a whole. Employers, government agencies, public institutions, private businesses, educators, family and friends, and many others benefit from greater accessibility to connected individuals.

Moreover, Congress made plain that the universal service provisions of the 1996 Telecommunications Act do not replace traditional universal service principles. Indeed, every provision of the 1996 Act builds upon these principles to broaden the types of services included and recipients covered.

Congress has taken a momentous first step in expanding the notion of universal service beyond residences to recognize the capacity of institutions, such as schools, libraries, community computing centers, and community media centers, in bringing new services and technologies to all Americans. The Joint Board and the Commission should follow this initiative by adopting an expansive list of services and support mechanisms for schools and libraries, and confirming the important role that all institutions have to play. However, they must make clear that in no way should the institutional availability of a particular service become an excuse for not eventually providing that service to homes.

Finally, only by adopting policies which embrace and build upon the guiding principles enunciated in the 1996 Act can the Commission create a just, comprehensive telecommunications system that will serve all Americans well into the next century.

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Summary:

Comments of the Benton Foundation

Contributed by: Carl Kucharski <cski@tiac.net>

Date: Wed, 4 Sep 1996 20:41:43 -0400

Summary

The Benton Foundation offers comments regarding the Common Carrier Bureau's Public Notice on universal service.

- Using Census Bureau statistics from November 1994, Benton finds that basic services included within the definition of universal service are not affordable to all and therefore should not be the baseline for affordability at present. In households with incomes below \$30,000 over 53 percent of all households in America telephone subscribership can represent too much of the family's earnings to bear.
- Percentage of income and other "non-rate" factors are critical when determining affordability. When the cost of basic telephone service drops below one percent of household income, the penetration rate begins to exceed 90%. About 99% of all households choose to have basic telephone service when rates fall below .7% of annual household income.
- Discounts and support for schools, libraries, and health care providers should be structured to allow the greatest range of choice to the public institution. The decisions concerning what services and functionalities are needed in these areas should be left to professionals in these relevant fields, not telecommunications regulators.
- In Section 254(h) of the Telecommunications Act, it is the plain intent of Congress to connect classrooms, not just to reach the school house door. For the intent of Congress to be met, the inside wiring should be supported as part of the universal service mechanism.
- Sections 706 and 708 are important legislative steps towards facilitating the goals of advanced telecommunications access to all Americans and equal learning opportunities for America's school children. The fulfillment of these goals set forth in Sections 706 and 708, however, relies on the successful implementation of 254 (h). As such, the provisions of 706 and 708 are important elements but cannot be relied upon to provide advanced services in the absence of a successful conclusion of this Joint Board's work in establishing underlying connections.
- The Commission should narrowly construe the legislative prohibition on the resale of telecommunications services by public institutions so as, for example, to permit end-user cost based fees for services.
- Most states have programs to provide telecommunication services to schools and some have extended services to libraries and health care providers. In order to support use of these services, some states have offered additional discounts to institutions using these facilities. Attached as Appendix II to this filing is an overview of state strategies for connecting schools, which take many different forms.

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Summary:

Reply Comments: Alliance for Community Media

Contributed by: Carl Kucharski <cski@tiac.net>

Date: Wed, 4 Sep 1996 20:41:23 -0400

Reply Comments of the Alliance for Community Media In the Notice of Proposed Rulemaking

The Alliance for Community Media (the "Alliance") respectfully submits the following reply comments in response to the Notice of Proposed Rulemaking, FCC 96-93, in the above-captioned proceeding, released March 8, 1996 ("NPRM"). The Alliance reiterates the points presented in its initial comments, and emphasizes that provision of universal service to "at-risk" communities could have enormous impact on those communities' full participation in American society. The Commission should adopt only those recommendations of the Joint Board which guarantee that telecommunications services are provided to all American people including individuals and groups that may heretofore have been denied access to the benefits of both basic and advanced services. The Alliance urges the Commission to promote localism, equitable access, and encouragement of diversity in considering and adopting any recommendations of the Joint Board.

The Alliance's initial comments were filed in conjunction with two coalitions: one including People for the American Way, the Alliance for Communications Democracy, the Benton Foundation, the Center for Media Education, the League of United Latin American Citizens, the Minority Media Telecommunications Council, the National Council of La Raza, and the National Rainbow Coalition ("Joint Comments" and "Joint Commenters"); and a second with the Office of Communication of the United Church of Christ and the Minority Media and Telecommunications Council ("UCC Comments" and "UCC Commenters"). In these comments, the Alliance and its co-commenters emphasized the importance of providing access to telecommunication services to all regions and all sectors of American society, for purposes of economic development, job creation and civil discourse. The Alliance believes that community computing centers offer a sensible methodology for providing advanced services to communities which might not otherwise have these services.

[snip] (PEG access centers refers to public, educational and government access channels and centers for cable television - ed.)

During the past few years a number of PEG access centers have expanded their menu of offerings to include access to advanced telecommunications service, including Internet and on-line services. This expansion is in concordance with Alliance members' belief that Americans should not be mere passive consumers of information and entertainment, but active participants in political dialogue, local economic development, and artistic endeavor. The First Amendment requires that schools, churches, community

organizations, and individuals have meaningful access to advanced forms of media as telecommunications become increasingly sophisticated -- and increasingly concentrated. Consequently, the Alliance supports implementation of universal service that provide for the expansion of First Amendment access rights, and that guarantee that non-commercial, non-profit, educational and public institutions share the benefits of advanced communications technology.

Section 254(b) of the Telecommunications Act of 1996 (47 U.S.C. [[section]] 254(b)) instructs the joint Board and the Commission to "base policies for the preservation and advancement of universal service" on a number of principles, including providing services to consumers in all regions of the Nation, additional services for elementary and secondary schools, libraries and health care providers and " [s]uch other principles as the joint Board and the Commission determine are necessary and appropriate for the protection of the public interest, convenience and necessity and are consistent with this Act." The Alliance believes that designating community computing centers to receive and offer special services similar to those provided pursuant to Section 254(h), would be an appropriate additional policy for the Joint Board and the Commission to promulgate, based on the principle that a range of institutions, not just libraries and schools, can offer meaningful opportunities for people who otherwise could not "get connected." Community computing centers serve much the same purpose as PEG access centers, and would have much of the same client base. And, as many centers are already expanding to include availability of, and training in the use of, computer and communications services, providing low-cost advanced services to PEG access centers would provide an efficient way to provide universal access to these services. This could potentially reach a population group, including a range of non-profit organizations, that may not be able to be reached by public libraries.

Community networks link computers of citizens, institutions, organizations and businesses to one another, providing information from a multitude of sources and two-way communications opportunities for all that are connected to it. Community computing centers can fulfill an important role in the future of video-voice-data convergence; integrated PEG-computing centers allow video programming, databases, and two way communication to support each other and provide a range of social and information services to the community. The Alliance believes that the joint Board, in considering how to serve a range of previously-excluded communities, should direct universal service funds to support these growing institutions that offer residents of a community meaningful opportunities for access and expression at minimal cost to service providers. Such centers will give meaningful additional services to low-income telephone subscribers in concordance with the Commission's expressed desire to provide low income services that are consistent with public interest, convenience, and necessity and will promote First Amendment values which ensure that every citizen can fully and equally participate in society.

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Comments on Bona Fide Requests

Contributed by: Laurie Maak <laurie@info-ren.pitt.edu>

Date: Mon Sep 16 23:24:14 EDT 1996

Bona fide Request

(B) Educational providers and libraries: All telecommunications carriers serving a geographic area shall, upon a bona fide request for any of its services that are within the definition of universal service under subsection (c)(3), provide such services to elementary schools, secondary schools, and libraries for educational purposes at rates less than the amounts charged for similar services to other parties. The discount shall be an amount that the Commission, with respect to interstate services, and the States, with respect to intrastate services, determine is appropriate and necessary to ensure affordable access to and use of such services by such entities. A telecommunications carrier providing service under this paragraph shall--

'(i) have an amount equal to the amount of the discount treated as an offset to its obligation to contribute to the mechanisms to preserve and advance universal service, or

'(ii) notwithstanding the provisions of subsection (e) of this section, receive reimbursement utilizing the support mechanisms to preserve and advance universal service.

Comments from Filers (Italics added to highlight relevant remarks.)

American Library Association

The eligibility requirement for libraries stated in the Telecommunications Act[7] is that they be eligible for participation in state-based plans for Title III of the Library Services and Construction Act.[8] No additional criteria are specified. This is the basis for the ALA recommendation that *any request for services from a duly authorized individual in that library should constitute a bona fide request* under the terms of the Telecommunications Act.

Should additional verification be necessary, the state library agency that administers LSCA funds would certainly be able to verify whether or not a library is, in fact, eligible for such funding.

Ameritech

The best way to ensure that the request is bona fide is *have the requester put some of its own money at risk*. Administrative costs could be reduced if the carrier provided eligible services at a discount and then made the corresponding off-sets to its payment to the universal service fund.

AT&T

To ensure that discounted telecommunications services are necessary and used for their intended purpose, both the individual school, library or non-profit health care provider, as well as the appropriate state-level governing authority (e.g., school, library, health care board), should certify that: *(i)the applicant for discounted telecommunications service is a qualified school, library or non-profit health care provider; (ii)the discounted service, including the amount of capacity requested, is necessary to support the application planned and will be used for the stated purposes; and (iii)the associated hardware, software, wiring, on-site networking and training are to be deployed simultaneously with the discounted telecommunications service.*

Bell Atlantic

Bell Atlantic's proposal does not create administrative burdens. *States identify eligible schools and libraries.* The payments will be made in the form of credit vouchers that can be used only for telecommunications services. The amount of the credits is established by a formula, and schools and libraries need not submit detailed plans to a state or federal agency. They need not have a program in place when the initial payments are distributed but may accumulate payment vouchers until an effective plan is developed and implemented. Localities are empowered to insure that the funds are used effectively.

BellSouth

It is recognized that a process which is burdensome or complicated would not be desirable. On the other hand, there is a need for coordinated and compatible educational technology plans. One means for determining bona fide requests could be for *each school district to publish a list of those schools which it certifies are in compliance with the district's education technology plans, are prepared to implement telecommunications services for educational purposes, and are therefore eligible to make bona fide requests for services under the Commission's universal service program.* There may also be a role for the state to determine which are eligible institutions for universal service under the Act. Similar mechanisms would need to be found for private schools, libraries and health care providers. It is unlikely that such processes would be abused, but the Commission should address what remedies would be appropriate in such an event.

Century Telephone

The FCC should define "bona fide requests" for ~~[[section]]~~254(h) purposes and investigate specific complaint filings.

Colorado State Library

The least administratively burdensome requirement that could be used to ensure that requests for supported telecommunications services are bona fide is to *identify only specific people eligible to request a discount for telecommunications services.*

GTE

As described in the response to question 12 supra, each *eligible entity desiring funding*

should be required to provide support materials that allow the central administrator to determine that the entity will effectively use the universal service support. The support materials should include:

- (1) An attestation that the entity is eligible under [[section]]254(h).*
- (2) A telecommunications plan that describes how all network and non-network components fit together to create an effective program.*
- (3) A description of the process used to select the network services, the identity of the selected vendor, the services to be provided, the price to be paid for each service, and the amount of desired support funding.*
- (4) A budget showing that all of the necessary components other than telecommunications service (e.g., inside wiring, CPE, computers, educational application software and training in its use) are already present, or that commitments for their funding have been obtained from sources other than the universal service fund.*

General Communication Inc.

The Commission should require self-certification.

Dave Hughes

State Departments of Education should be recruited, after being trained, to advise school administrations on the criteria for bona-fide requests. A spread-sheet model for making cost analyses of communications alternatives should be developed to aid administrators in evaluating both comparative and absolute costs.

Illinois State Library

The eligibility requirements for libraries are clearly stated in federal legislation. If a service provider has any question about the eligibility of a particular library, the state library administrative agency would be able to provide verification on whether or not the library is eligible.

Information Renaissance

The requests for supported telecommunications services should come from those *school officials charged with the responsibility for telecommunications and technology implementation in their districts*. Such officials have a responsibility within their districts to make judgments about the appropriateness of individual technology expenditures. Their responsibility with regard to the purchase of supported telecommunications services will be no different from their overall responsibility to purchase services of educational value and relevance to students and teachers in their districts.

MFS Communications Company

If telecommunications services are provided on a deeply discounted basis, that will create economic incentives for organizations and individuals to seek ways to qualify for the discounted offerings. Mechanisms will have to be developed to distinguish between legitimate, bona fide requests for discounted offerings and offerings that should not qualify for the discounts. As described in its response to Question 8, MFS believes that its proposal is a better mechanism than discounted offerings for providing access to advanced, broadband telecommunications services.

National Cable TV Association

As stated in our initial comments, *self-certification that the requirements have been met would be the least administratively burdensome method.*

National Exchange Carrier Association

As discussed in NECA's response to question 14, *supra*, clear procedures and guidelines for determining eligibility must be established in order to assure that requests for discounts are within the intent of section 254(h).

National School Boards Association

Answer: A telecommunications provider may be faced with up to three levels of requests, assuming that the Commission permits liberal aggregation of demand. These levels are: (1) individuals schools or libraries, or school or library districts, (2) regional education agencies, and (3) statewide agency requests. At each level there are procurement procedures that ensure that any requests for telecommunications services are bona fide. Under state and local law, schools and libraries must comply with certain procedures and procure telecommunications services, just as they must for any other kind of service. The Commission should not make the mistake of believing that telecommunications services are somehow unique: Schools and libraries procure a wide variety of goods and services every day, and the various procurement procedures of each district or other agency will ensure that any request is legitimate. Eligible institutions should be treated under the law just as any other customer requesting services -- *if they request services, services should be provided.* If a service provider has reason to doubt that a particular request has been submitted by an eligible institution, there is a very simple means of determining whether the requestor is entitled to the discount: state boards of education maintain lists of all the institutions that are considered "schools" for purposes of receiving state and federal funding, including as defined at Section 254(h)(5)(A). Similar lists are maintained for libraries. *A simple query to the appropriate state-level agency would be enough to clear up any doubts* in the rare case that there was a question.

New York State Department of Education

The least administratively burdensome methodology for certifying eligibility for discount rates is to *make eligible any institution that is operating under the administrative charter of the state education agency, and/or state agency responsible for the oversight*

and administration of libraries.

Oakland Unified School District

The least burdensome requirement for bona fide requests is that *schools be certified by the States and that telecommunications services be provided on the "total school" principle*

Pacific Telesis

The Commission should require that entities redeeming the credits (i.e., schools, libraries or health care providers) *submit a sworn statement by a person with authority to bind the institution itemizing the services purchased using the credits*. Then, if it is later determined that the credits were used improperly, the Fund administrator can determine what actions to take, e.g. impose fines, forfeitures or penalties. The Universal Service/Federal Education Fund administrator should be or some responsibility in verifying that the credits are being redeemed for eligible telecommunications transport services, but the overall responsibility for ensuring that institutions use their credits appropriately should rest with the institutions--and their local governing bodies--themselves.

Rural Telephone Coalition

The least burdensome way to limit institutional requests for supported services would be to define bona fide request with specificity and *enforce that limitation through the complaint process*.

Sailor - A Maryland Library Project

The person requesting the service should include a statement that the request is bona fide and on behalf of an eligible institution.

Southwestern Bell Telephone

SWBT recommends the use of a simplified process. States already know what schools exist within their borders, so *each State could provide a list of qualified schools to the fund administrator. Before a qualified school receives its distribution, it could complete a simple form providing check off boxes to verify the existence of a technology plan and provide answers to a few simple questions which are required to demonstrate progress in meeting the Act's goals.*

Tele-Communications, Incorporated

While many of the approaches recommended in the Comments hold promise,[23] there is inadequate information on the record for determining which is the most effective. This issue requires further study by the Commission.

U.S. National Commission on Libraries and Information Science

Reference in Section 254(h)(4) to entity eligibility for participation in Library Services and Construction Act programs is sufficient to ensure bona fide requests for supported telecommunications services. However, given the disparities between different public libraries in different size communities currently offering Internet services, proactive contacts to those public libraries eligible that are eligible to receive supported telecommunications services may be advisable.

United States Telephone Association

A simplified process, such as a check-off box to verify the existence of a technology plan and a few simple questions to demonstrate progress in meeting the goals of the Communications Act could be utilized.

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Summary of AFT, CCSSO, FARNET & USDLA Comments

Contributed by: Sherry L Macaul <macaulsl@uwec.edu>

Date: Mon, 2 Sep 96 10:13:58 -0500

The American Federation of Teachers (AFT), Council of Chief State School Officers (CCSSO), Federation of American Research Networks (FARNET) and the U.S. Distance Learning Association (USDLA) all agree that services for K-12 schools, libraries and health care providers should be subsidized (equity rates) for individuals living in disadvantaged communities. AFT recognizes the widening gap in technological opportunities and suggests that a formula be used similar to that used in Title 1 programs. The CCSSO holds strong to the notion that "broadband" telecommunications be the standard. FARNET also believes that we should invest in high performance access namely, voice, text, graphics and video. This association encourages us to differentiate between enhanced access (technology that delivers services) and the enhanced services themselves. The USDLA, offers still another alternative. They suggest offering free voice grade telephone line service (1 per classroom or school to be used for curricular vs administrative purposes and 1 work station per library) as well as at least one satellite receive antenna for accessing satellite programming. Along with these basic services, advanced telecommunication services could be offered at the lowest regional or state rates with subsidy for low income communities. Finally, the USDLA suggests including vocational technical colleges connected with secondary schools as well as community colleges and distance education consortia in the funding cycle. The group favors the idea of encouraging school, community college and community partnerships.

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Summary of Department of Interior Comments

Contributed by: Jim McClellan <jimmac@usit.net>

Date: Tue, 27 Aug 1996 18:22:57 -0500

DEPARTMENT OF INTERIOR
SUMMARY OF COMMENTS
submitted by Jim McClellan

The United States Department of the Interior's Allen P. Stayman, Director of the Office of Insular Affairs, expresses concern that the goals and principles of universal service support mechanisms ensure that Guam and the Commonwealth of the Northern Mariana Islands (CNMI) are included in all aspects of universal service.

He supports the Joint Board and the Commission basing the universal service policies on the seven principles listed in Section 254(g), and that those principles have full application to the CNMI and Guam.

1. The residents of these insular areas should have quality service at just, reasonable, and affordable rates. He supports domestic rate integration for these areas as a means for quality service at affordable rates.
2. Access to advanced telecommunications and information services must include those insular areas. He urges the Commission to seek ways to facilitate access to the distant geography of the islands.
3. Consumers in the insular areas should have access to telecommunications services. They are low income customers in high cost areas.
4. All providers of telecommunications service, including those in the insular areas, should make an equitable and nondiscriminatory contribution to the preservation and advancement of universal service. He supports the inclusion of Guam and the CNMI governments, residents and businesses into the "core" group for universal service.
5. The specific and predictable support mechanisms should be extended to these insular areas.
6. Access to advanced telecommunications services for schools, health care, and libraries must be given to the CNMI and Guam. He supports universal service support for these additional services. Their distant location and small population make access difficult and expensive; therefore, it is imperative that a special effort be made to see that these services are extended.
7. In whatever other principles as the Joint Board and Commission may determine necessary, he asks that special consideration always be given to the insular areas. He supports voice grade network access, touch tone dialing, single party service, emergency services, and access to operator services as "core" services receiving universal service support. He also asks for universal service support to include toll-free access to 800 services and on-line information services for the CNMI and Guam.

Stayman states that it is the responsibility of the United States Government to assist

these insular areas achieve economic development, and that telecommunications is a primary basis for such development.

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Telecommunications Regulatory Vocabulary

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Date: Thu, 29 Aug 1996 15:00:28 -0500

Anticompetitive. Refers to the practice of predatory or other unfair behavior by telecommunications firms with monopoly or otherwise dominant market position.

Bandwidth. Information carrying capacity of a transmission medium. Telephone service is considered narrowband; CATV, broadcast television and backbone networks are broadband, and future networks are expected to carry broadband capacity to the customer.

Barriers to entry. Present day laws, regulations or court decrees which have been erected to separate telecommunications markets: e.g. cable TV from telephone service; local exchange carriers from equipment manufacturing. Also refers to barrier presented historically by a "natural monopoly", where the cost of duplicating an infrastructure was sufficiently high to prevent entry by any other party.

BellSouth. The Regional Bell Operating Company in the southeastern United States: one of seven RBOC's formed at the Divestiture of AT&T. Provides local exchange services and intraLATA toll (Long distance) services to customers in its nine state region.

C.O. - Central Office. Telephone switching center to which users' telephone lines are connected and which, through interconnections to each other in a switching hierarchy using fiber optics and other media, comprise the public switched telephone network (PSTN). Customer equipment is connected to an end-office C.O., which typically supports up to 100,000 lines.

Collocation. The placement of in-service customer telecommunications equipment or competing telecommunications service providers' equipment at a carrier's central office, or at another location which provides equivalent network connections ("virtual collocation").

CAP Competitive Access Provider. An alternative provider of access to long distance carriers' telecommunications services, also a potential competitor to the LEC in local exchange services. Typically operates in a major urban area providing data and some voice telecommunications services to large customers.

Common Carrier. A carrier that holds itself out as serving the public (or a segment thereof) indifferently (i.e., without regard to the identity of the customer and without undue discrimination). Common carriers may vary rates based on special considerations and may in fact serve only a small fraction of the general public.

CATV - Cable TV - Community Antenna Television. A community television system, served by cable (coaxial or hybrid fiber/coax) and connected to a common (set of) antenna(s).

Coax - Coaxial Cable. A copper cable capable of broadband transmission, most commonly used in the subscriber loop of CATV systems, consisting of a solid copper core surrounded by a metallic shield to minimize interference.

Cross ownership. A condition of ownership by one entity of multiple lines of business in the telecommunications and information services industries; prohibited by law or the Modified Final Judgment. Telephone operating companies have not been permitted to own cable TV companies in their service areas, publishers are restricted from ownership of television networks, etc.

Dominant Carrier. A carrier with marketing power and the ability to control overall price levels. LECs are considered dominant in telephone services.

Facilities-Based Carrier - FBC. A carrier that uses its own facilities to provide service, in contrast with resellers who purchase the services of other carriers and then retail the services to customers.

Federal Communications Commission - FCC. The federal regulatory agency charged with enforcement of the 1934 Communications Act and other applicable federal laws, especially as pertains to interstate telecommunications services.

Fiber - fiber optic. Glass fiber used to carry lightwave transmission of telecommunications services. Widely used in carriers' backbone networks, almost exclusively used by CAPs, and increasingly used by in CATV backbones. Fiber has very high transmission capacity and is immune to electrical interference that can distort signals.

Independent telco. A local Telephone company not affiliated with the regional Bell Operating Companies (RBOCs), but subject to regulatory jurisdiction of the state Public Utility Commissions. (See Telephone co-op).

InterLATA. Telecommunications transmissions or circuits which cross a LATA boundary. These services are provided by an interexchange carrier (IXC); local exchange carriers (LECs) are prohibited from providing them by terms of the MFJ.

Interoperability. The ability of interconnected networks from multiple carriers to provide telecommunications services and functions in a manner transparent to the user.

IntraLATA. Telecommunications transmissions or circuits which do not cross a LATA boundary. These services are provided primarily by a local exchange carrier (LEC); interexchange carriers (IXCs) may be prohibited from providing them by decision of the state PUC.

IXC - Interexchange Company - or IEC. A long distance service provider (AT&T, MCI, Sprint, LDDS, etc.) which primarily provides services which cross LATA boundaries. May be a facilities-based carrier or a reseller.

LATA - Local Access & Transport Area. A geographical region established at the

time of Divestiture to separate the telecommunications services to be provided by AT&T from those to be provided by the RBOCs. Tennessee has five LATAs.

LEC – Local Exchange Company. The local telephone company, which may provide local dial tone and local and long distance calling services within a LATA.

Nondiscrimination Safeguards. Safeguards to prevent a carrier, especially a dominant carrier, from discriminating in its provision of network services to a competitor who may wish to procure service elements from the carrier in order to resell to its own customers. See unbundled.

Nonstructural safeguards. Accounting safeguards, most often established by the Federal Communications Commission, to prevent unauthorized transfer of accounts between regulated and unregulated segments of a carrier in the absence of structural safeguards (e.g. a separate subsidiary requirement). Number portability A planned property of future, interconnected networks which will let customers pick their local "phone" company without changing their number or other inconvenience. Similar to today's "equal access" to alternative long-distance carriers.

Overearnings. In a rate of return regulatory regime, earnings by a regulated carrier in excess of a predefined, allowable rate of return. Overearnings may be returned to the ratepayer in the form of direct credits, rate reductions (to the customer or to other carriers in a "flow through" approach) or, in an approach approved by some PUCs, in accelerated investment in network infrastructure.

Price-based (price cap) regulation. An alternate to rate of return regulation. A Commission may regulate by capping a carrier's prices, usually with a "productivity index" factored in and the right to continue to examine the carrier's books.

Provider of last resort. A carrier who is obligated, by law or regulation, to supply "lifeline" or universal service – generally considered to be local telephone dial tone and access to a long distance carrier – under publicly established terms to any customer who requests it.

PUC or PSC Public Utility Commission (sometimes Public Service Commission). The body responsible for regulating the LECs and IXC's within a state's boundaries. Some regulatory authority of the PUCs may be significantly preempted by federal legislation.

Rate of return regulation. A regulatory approach, still in effect for most LECs, under which the earnings of the carrier are examined by the Commission (PUC or FCC), usually on an annual basis, and held within a predefined range by approval of rate increases or reductions.

Regional Bell Operating Companies – RBOC or RHC. Referred to in the MFJ as the Regional Holding Companies. One of the seven "Baby Bell" Companies created at Divestiture. The seven RHCs include: NYNEX, Bell Atlantic, Bell South, Southwestern Bell, U.S. West, Pacific Telesis, and Ameritech. Bell South operates in nine states,

providing local phone services and other telecommunications services as South Central Bell and Southern Bell.

Reseller. long-distance carrier (IEC) that does not own a network, but leases bulk capacity and resells portions of it at a higher rate. See facilities-based carrier.

Rights of way. The authority, typically of a local government, to grant permission to a telecommunications provider to use public or shared access facilities such as telephone poles or conduit to install cable for the provider's network. S.652 Legislation in the US Senate in this year's 104th Congress, sponsored by Sen. Pressler and known as Telecommunications Competition and Deregulation Act of 1995, to rewrite the law on telecommunication regulation. S.652 passed the Senate June 15, 1995. See also HR1555.

Scalability. The ability to add power and capability to an existing system – particularly a telecommunications network – without significant expense or overhead. An "economy of scale" exists when a small increase in load produces a less-than-linear increase in overhead. A "diseconomy of scale" exists when a small increase cause a significant increase in overhead.

Tariff. A public document filed with the FCC or a PUC that acts as a public contract and outlines telecommunications services and rates. Usually, all customers are offered the same rate for a specific service, based on published constraints such as volume or term commitments.

Telco – Telephone Company. The local or regional telephone company that owns and operates lines to customer locations and provides local dial tone and access to long distance carriers.

Telephone co-op. A telco which is owned and operated by its customers. It is typically fairly small and not subject to the same PUC regulations to which the RBOC or independent telcos must conform.

Unbundled. The principle by which network service elements offered by a carrier, especially a dominant carrier, must be supplied separately and piecemeal to customers, especially resellers, in order that the resellers may assemble network services to offer to their own customers.

Video dialtone (VDT). Currently refers to telephone company proposals to provide video services to their customers. In the "video dialtone" order, the Federal Communications Commission anticipated that telephone companies could offer multi-channel video transmission services. Under the Commission's plan, the programmers using the transmission service would compete with each other and the existing cable monopolist (less than 1 percent of cable operators faced head-to-head competition from another cable operator in 1992) under rules designed to ensure that the LEC offered nondiscriminatory access to programmers.

Wireline. A carrier which predominantly provides its services using wired facilities; as opposed to a non-wireline carrier such as a cellular telephone company or a television

broadcasting station.

Sources

- Federal Standard 1037C
- Telecommunications Library (LDDS WorldCom Marketing Research Group)

Suggested additional sources

- Butterfly Glossary
- The Cook Report
- NETGLOS (multi-lingual glossary)

Please make suggestions for corrections or additional definitions to:

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